

1 line, the school, the library, the health care, perhaps the
2 tourism industry, the fish and game, whatever. I don't have
3 data for you yet. We don't know. I mean certainly look at
4 budgets.

5 MS. CHONG: Well, I wanted to mention on the issue of
6 eligibility for libraries, that unfortunately the definition of
7 what libraries are eligible for universal service funds is set
8 pursuant to the statute. And I think that that's something
9 that you would need to go to your congress-member about because
10 the Commission is very limited in its discretion because of the
11 very specific definition in the law.

12 MS. ELLIOTT: Commissioner, I'm not asking that the
13 definition be extended, I'm saying in the case of joint
14 projects. UAF, their library perfectly expects to pay regular
15 telecommunication rates for what they do for their students.
16 They are participating in a public access project and I'm
17 saying for those joint projects the rate should apply.

18 MS. CHONG: Thank you for that clarification. That
19 explains it. Thank you very much, that was very helpful. Do
20 you think you could get me copies of the information on the
21 slides?

22 MS. ELLIOTT: Yes, I have them there for you.

23 MS. CHONG: Oh, great. Well, we'll put it into the
24 record, thank you very much.

25 MS. ELLIOTT: I'd like to introduce Fred Pearce,

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1 Mr. Telemedicine in Alaska. He is the director of the Alaska
2 Telemedicine Project and an assistant professor of
3 telecommunications at University of Alaska, Anchorage. Dr.
4 Pearce.

5 MR. PEARCE: Thank you, Commissioner and members of the
6 APUC. Following Susan is always a treat because we always seem
7 to be doing very similar things, just on different sides of the
8 street. The Alaska Telemedicine Project began a couple of
9 years ago as well and it was based on an articulated interest
10 by a number of people around the state to try to identify some
11 promising telecommunications and information technologies that
12 can prove the delivery of health care to rural Alaska.

13 What we began with is the notation that this should be
14 as an inclusive of a project as possible and we recognized
15 immediately that the state is kind of trifurcated, there are
16 three separate funding streams. So we tried immediately to
17 bring to the table members from civilian, Native and military
18 health care institutions and organizations in the state. The
19 project now represents 34 health care organizations, seven
20 telecommunication carriers and the University of Alaska. New
21 members include the NASA, Apple Computer and Tetherless
22 Communications from California. What we have tried to do from
23 very early on is to recognize that this has to be a partnership
24 and so the very first meeting we had, very first public meeting
25 we had was with the telecomm carriers to find out if this was

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1 in their interest and to find out how we could partner
2 together.

3 The principal goals of the project have been to access
4 the needs of health care providers throughout Alaska, but
5 especially in rural Alaska. To demonstrate a range of
6 appropriate and sustainable telecommunications and information
7 technologies and then to evaluate these applications for
8 satisfaction utilization and cross benefit. As we received
9 word of the telecomm bill, the passing of the telecomm bill,
10 one of the first acts we did is circulate its Section 254 to
11 the members and I think it can be said that most of the
12 members, in fact, if not all the members came to recognize that
13 this was an important opportunity especially for rural health
14 care providers.

15 This section, we believe, very wisely articulates and
16 defines universal service as an evolving level of
17 telecommunication service that's essential to education, public
18 health and public safety. We believe that there is great
19 sensibility in Section 254 and I think most of us who've been
20 here a little bit and I've only been here five years has saw
21 the invisible hand of our senior senator in this section.

22 Section 254 places a great deal of responsibility for
23 advancing telecommunication services on the carriers. And it
24 states that consumers in the regions of the nations, including
25 these low income and those in rural, insular and high cost

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1 areas should have access to these services. This meeting is an
2 articulation of the mechanisms that this section has put into
3 place. So I think we're all here, we all understand what
4 Section 254 has done and is doing and the promise of it.

5 What members of the project have recognized from the
6 beginning is that you can state all the needs you want. You
7 can put all of your desires on the table, but the fact of the
8 matter remains we have an infrastructure that's very odd. It
9 developed over time and it will change over time. So what
10 project members have tried to do is tried to take advantage of
11 our peculiar telecommunications infrastructure and move ahead.
12 Project members believe that we can't wait for these
13 telecommunications to be transformed in order to begin to
14 change. The business of providing health care for moving
15 people to services, especially here in Anchorage to moving
16 services and information to people. So what we've done over
17 the last couple of years through a lot of energy and without
18 any dedicated funding and with a lot of hard work on many
19 people's behalf, we've implemented a number of specific
20 operations.

21 Right now, through Providence Alaska Medical Center
22 there are seven, what I would call, narrow band with
23 teleradiology sites that are lit up and we're beginning to
24 generate data from that. There are 16 9.6 and two 9.4 narrow
25 band with medical information and medical imaging. Village

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1 base provider work stations in operations and Mike Terry is in
2 the audience and he's the person principally responsible for
3 that out in Norton Sound. We've worked with the military, the
4 third medical group at Elmendorf and their five ISDN based
5 stored forward medical and health care provider work stations
6 that are being used today. We have implemented a scalable 14.4
7 to 1.2 KB statewide medical and health care infamatics (ph)
8 package with dedicated E-Mail and conferencing as well as a
9 Lionex (ph) based web site. And we chose Lionex because you
10 can get at this as text base, so that was one of the things we
11 recognized as well, it's very difficult to move these files
12 around graphically.

13 We've also been exploring a cross agency patient
14 records management system, RPMS, in conjunction with the Alaska
15 Native Medical Center as the lead agent. And, in addition,
16 we've submitted a number of major grants in the last six
17 months. We're just starting to get some preliminary data, for
18 instance, from the radiology sites, but early data indicates
19 that about 12 percent of the ordinary events, ordinary
20 radiological events have precluded transportation to Anchorage.
21 And that most of the people encountering this system are
22 satisfied with this store and forward patient encounters and
23 that transportation costs have stabilized. Preliminary
24 feedback from the infamatic project indicates that the health
25 care providers that are using this are very pleased with these

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1 new information tools available to their Desktop that's
2 designed to allow them access to things like the National
3 Library of Medicine.

4 A number of future plans that we're moving forward, a
5 wireless PDA demonstration project involving ATU
6 Telecommunications here in Anchorage. The development of a
7 highbred asymmetrical statewide network for distributing
8 continuing and medical health care information and education.
9 The demonstration of electronically smart clinics in Valdez,
10 Seward, Kodiak, and Khabarovsk in the Russian Far East. The
11 development of narrow band with provider work stations in
12 conjunction with Apple and Tetherless Communication in
13 California. The development of wireless TCPIP networks for
14 rural health care. And the development of medical and health
15 care library assets and continuing medical and health care
16 education tailored to the needs of rural Alaskan providers.
17 That's just some of the things we've done.

18 We've done a number of things as well, but I think what
19 we all recognize very early on is that we would all like to see
20 improved service, but we recognized that this is a very
21 difficult situation given the economics and the economy of
22 scale in Alaska and what we are trying to do, quite frankly, is
23 take advantage of our particular situation and try to get
24 everybody moving in the direction that seems obvious. This is
25 the way business is going to be done. Information and services

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1 are going to be moved to people and people will be decreasingly
2 moved to these services.

3 Thank you very much.

4 MS. ELLIOTT: Thank you, Dr. Pearce. Commissioner
5 Chong.

6 MS. CHONG: Yes. I wanted to mention that we have
7 established at the Commission a telemedicine advisory
8 committee. They were put together, I guess, about six weeks
9 ago, maybe two months by now. And we have a group of
10 approximately 30 individuals representing doctors, hospitals,
11 health care facilities, and the telecomm industry, both wired
12 and wireless. They are working to provide recommendations to
13 the joint board by mid- to late September on the core services
14 that should be provided for telemedicine applications and
15 recommendations on costs and comparability of rates between
16 rural and urban. So I wanted to let people know that we have
17 that in process and when we get the recommendations we will do
18 what we can to have it posted on our Home Page.

19 I wanted to know what telecomm services that you think
20 the joint board should recommend for the purposes of providing
21 access for the provision of rural health care? What has your
22 group found to be the critical core services that you would
23 need to perform the work that you're doing?

24 MR. PEARCE: Well, most of our strategy has been based
25 on two CPIP, so right now -- we were down in Kodiak last Monday

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1 and Old Harbor, for instance, a small village some distance
2 from Kodiak proper, the city of Kodiak, barely manages to
3 maintain a 2.4 link. There are some anomalies built in -- I
4 think at the highest level -- we've been moving radiological
5 slides around in nine and 10 minutes through these projects.

6 By the way, I want to point out that the telecomm
7 carriers have provided these services to date for free as part
8 of these demonstration projects, so they have been our partners
9 and I think they have done a terrific job. But one of the
10 anomalies that we keep pointing back to is at 10 cents a
11 minute, GCI's advertized rate or some comparable rate in the
12 state, a radiological image is defacto worth 90 cents and we
13 think that that's a very good illustration about how the whole
14 industry is changing.

15 So there are very high level issues, but as I said, any
16 improvement. The APUC has recognized as 28.8 as a benchmark
17 for the year 2001, 9.6 I think would have to be a minimum. But
18 again, what we've tried to do is tailor these things to what
19 actually exists right now. So it's a very hard question. If I
20 had my druthers, I would say, ISDN connectivity everywhere
21 TCPIP network.

22 MS. CHONG: Do you have any idea of the scope of costs
23 that you can save by, for example, sending a X-ray of a patient
24 to a doctor and saving the cost of loading them into a float
25 plane and sending the pilot out? Do you have any idea of the

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1 cost that you're saving to your health care community?

2 MR. PEARCE: Well, Kathe Boucha, who is one of our
3 partners will, I think address some of those issues. But if an
4 ordinary event proves, through the transmission of a
5 radiological image, not to require transportation and that
6 transportation had to be an emergency E-vac, that's 90 cents
7 roughly at 10 cents a minute versus \$25,000.

8 MS. CHONG: It's \$25,000 to do an emergency E-vac?
9 That's a very nice statistic.

10 MR. PEARCE: Thank you.

11 MS. CHONG: Thank you very much.

12 MS. ELLIOTT: Thank you, Commissioner Chong.

13 Chairman Cotten, any questions from the APUC?

14 CHAIRMAN COTTEN: Apparently not.

15 MS. ELLIOTT: Thank you. I'd like to introduce
16 Dr. John Monohan who is the superintendent of the Fairbanks
17 North Star Borough School District in Fairbanks, Alaska. He
18 was previously superintendent in Iditarod School District,
19 which is a rural district. Dr. Monohan.

20 MR. MONOHAN: Thank you. Commissioner Chong, and
21 ladies and gentlemen of the APUC Board. I'm a little bit
22 nervous, this is the first time I've ever done this and getting
23 here early and listening to the quality of speakers earlier and
24 looking out into the audience of some of the distinguished
25 audience doesn't help to alleviate some of the nervousness.

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1 But I'll just try to talk a little bit about some of the
2 difficulties that we've experienced just from an educational
3 perspective of trying to provide a service and to help young
4 children and staff.

5 Currently, I'm the superintendent of Fairbanks North
6 Star Borough, which probably under the direction of Mr. Cross
7 provides, I would say, one of the most exemplary technology
8 programs in the state. Hooking up approximately 16,000
9 students doing some national science foundation exemplary
10 programs with virtual math and science classrooms over an area
11 of probably about 73,000 square miles. Prior to that I spent
12 six years in Iditarod on the Yukon and in McGrath working with
13 10 remote communities over an area of 43,000 square miles and
14 worked to connect about 400 students.

15 And probably one of the reasons I'm up here is the
16 amount of time stumbling and trying to figure out how to hookup
17 students and I've probably made all of the mistakes in that
18 process of trying to do that and so consequently I have learned
19 how much I don't know about technology and how much is involved
20 in the FCC and the regulations and how complex it can be.

21 Going back it's -- I'm going to jump in, I think, how
22 important it is and I'll try to demonstrate with an example.
23 Currently we're putting a lot of effort and emphasis and
24 emotional talk into providing good quality role models in our
25 classrooms, African American, Native American, Asian American

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1 and just focusing on the Native American issue for a while,
2 it's extremely difficult to find a sufficient number of quality
3 educators that are in the market. And it's not that students
4 don't have the potential to become teachers, it's just that for
5 a variety of cultural and social reasons when they go into the
6 university they're not successful.

7 And I look back and contribute a lot of that to some of
8 what's going on in the schooling. The inability because of
9 shrinking budgets, I think, to have some of the quality
10 experiences that their urban counter parts are experiencing.
11 The ability to do high quality research, to get information, to
12 have access to information, but also to help break the mindset
13 that they can go out and can do things. It's breaking the
14 mental mentality and to provide a larger picture.

15 The schools have computers and in some cases, satellite
16 dishes, but unless you can start interacting and you can see
17 the big picture of the worldwide market that the students in
18 urban America and suburban America are going to have access to,
19 they're not going to be able to compete in the university. You
20 know, they're dead ducks by the time they get there, it's over
21 for them. So they have to have some reasonably comparative
22 services, I picked that word up here, and count on some sort of
23 connectivity that's more than, you know, 1,200 bod which on a
24 good day is what we can get.

25 We've had some luck with being able to go outside of

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1 the state and connecting to San Francisco and I guess avoiding
2 this double hop that kills us when you try to connect any of
3 the communities in the Iditarod area so that teachers can bring
4 services into the classroom. There are --- I'm currently the
5 chair of the technology committee for the superintendents
6 association and by virtue of that have a lot of opportunity to
7 talk to other superintendents through our association and all
8 of them, I don't think there's probably a district that hasn't
9 asked for some sort of connectivity so that they can do some
10 distance delivery, they can participate in virtual math and
11 science classrooms, take advantage of SLED, some of the
12 services that are out there that everybody is trying very hard
13 to participate in.

14 The need, the service -- well, the service is not
15 there, but the need and the desire is there and in many of the
16 cases and what we've dealt with is an unresponsiveness by local
17 service providers to put in some of the mechanisms to at least,
18 so we can connect at 24, so you can get on the -- you know, and
19 start doing some chat lines or doing some research is not
20 there.

21 There are some quality programs out there that I think
22 are national leading programs. National Science Foundation has
23 funded a lot of -- Native Ways of Knowing, exemplary programs
24 that the districts would like to participate in and would
25 involve students and would give them more of a global picture

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1 of what's going on and making them viable. But they don't have
2 it. I'd like to support some of the telemedicine things in the
3 field of education. It's crucial to have students and families
4 and communities that are healthy.

5 MS. ELLIOTT: Dr. Monohan, one minute please.

6 MR. MONOHAN: And the cost become prohibitive. And we
7 do have an option -- you know, an opportunity here to do that.
8 We're all faced with tough economic decisions, but what we're
9 in now is making the hard decisions, not to create a community
10 that has stratas in it of third world populations. I don't
11 know if it says anything, but when I look out here and I don't
12 see any Native American faces and we're all sitting here with
13 suits and jackets and we can choose to send our kids to high
14 quality schools, but I think we're creating a real problem by
15 not looking at this in an economic and a social impact forum
16 and I know that you do that, but I just emphasize it.

17 MS. CHONG: Thank you. That was very helpful.

18 MS. ELLIOTT: Thank you, Dr. Monohan. Commissioner
19 Chong.

20 MS. CHONG: I wanted to share with you, Dr. Monohan, a
21 little information. Every community in American wants to get
22 on the information superhighway, schools. And one of the
23 challenges that we found of the Commission is that many of the
24 community does not know how to go about doing it.

25 One of the suggestions that we've made is to have a web

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1 page that educators across the nation could access and share
2 information with each other about networking their schools and
3 how to set it up so that every community doesn't have to
4 reinvent the wheel in this very complicated area. We're
5 working on that right now in cooperation with the industry and
6 some of the more advanced schools that are doing tele-education
7 very successfully. So I wanted to put you in touch with Ira
8 Fishman, who is our tele-education specialist at the FCC. You
9 can E-mail him at I.Fishman, F-i-s-h-m-a-n with an I in front
10 of it @FCC.GOV and Ira can give you lots information on the
11 efforts in that area and what others are doing on tele-
12 education. He's our whiz kid on that.

13 I also wanted to tell you that I think that a
14 successful tele-education program involves a partnership
15 between government, the telecomm carriers and the schools.
16 Right now under the Telecomm Act, the government and the
17 carriers are going to do their part to provide access to
18 telecommunications for schools through the universal service
19 system that the Act has put into place. But the second thing
20 that we need to do is to make sure that schools can get
21 computers and the inside wire and the appropriate service to
22 the schools so that they can actually provide the service as
23 they need it each month. And I think that is a challenge for
24 local government and for the educators and for the states and
25 the carriers to work together to provide that money for those

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1 services.

2 And then finally, I think that school administrators
3 need to have trained technicians at the schools, just like you
4 have a janitor to maintain your school infrastructure, the
5 physical part, you need technicians that can maintain your
6 telecomm and computer infrastructure and can keep it advancing
7 and keeping up with technological advances. And that also
8 costs money and must be budgeted for by the educators. I
9 wanted to add that there are efforts in the industry to provide
10 low cost educational computers.

11 For example, I was visiting Apple a few months ago and
12 they are developing a very low cost, \$500 wireless computer to
13 make available to students that would be able to do a number of
14 simple functions, download homework from teachers and it will
15 be very durable, you can throw it around, you know, it's made
16 for kids first grade through seventh grade so that kids can get
17 excited about computers and it would be a very low cost device.
18 So I just wanted to say a lot of people right now are focusing
19 on these issues and I think we're going to make a lot of
20 progress in the next few years on it.

21 But keep up the good work. Thank you.

22 MS. ELLIOTT: Thank you, Commissioner Chong. Chairman
23 Cotten.

24 CHAIRMAN COTTEN: (No audible response)

25 MS. ELLIOTT: Thank you, Dr. Monohan. I'd like to

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1 introduce Kathe Boucha-Roberts who is the project manager for
2 Providence Hospital Health Systems in Alaska and if Fred Pearce
3 is Mr. Telemedicine, Kathe Boucha-Roberts is Ms. Telemedicine.

4 MS. BOUCHA-ROBERTS: Thank you. This isn't what I was
5 going to be when I grew up so I'm still surprised I'm here.
6 Consumers want health care services at a low cost and a high
7 quality as consumers want other services. Policy makers want
8 to regulate or at least provide incentives in order to
9 establish telemedicine as a system and as a tool to deliver
10 universal health care.

11 The problem at hand in the increasingly freeform
12 communications and computer market place is how to achieve
13 specific health care service goals, like telemedicine. Those
14 trying to develop telemedicine projects such as we have done
15 here in Alaska with the Alaska Telemedicine Project have to
16 rely on the telecommunications providers' expertise to deal
17 with the incredibly cumbersome tariff system that remains in
18 place. The vendors continue to dictate what products and
19 services are available and at what prices with little reference
20 to the economies of health care.

21 My position is that the best way for a government to
22 advance telemedicine is through the current regulatory
23 environment and to deal with the unequal market place and to
24 assist in the creation of consumer driven entities like the
25 Alaska Telemedicine Project.

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1 One of health care organization strategies and
2 certainly Providence Health System's strategies is to reach out
3 to other potential telecommunication users at the regional
4 sites to cost share and to coordinate partnerships for
5 survival. In the health care industry nationwide, major
6 medical centers are being asked to take responsibility for the
7 delivery of health care in small rural community hospitals and
8 you see that happening here in Alaska also. But in order to be
9 able to meet the needs of the rural community hospitals and the
10 economies in health care that are forced on the local community
11 governments, the telecommunication charges for delivering
12 health care services have to be addressed. We can't be
13 successful in the acquisition of providing health care in the
14 rural communities unless we find an affordable way to deliver
15 the services.

16 There truly are regulatory and institutional obstacles
17 to the rational development of telemedicine and certainly in
18 Alaska. In order to make new health care services effective,
19 carriers must lower the transmission costs and make them
20 consistent and understandable. Technologies must be fully
21 deployable, then should be available on demand and all players
22 must standardize connections in communication methods.
23 Telemedicine merits relaxed treatment. We are all health care
24 consumers. We all subsidize health care costs. Affordable
25 telecommunication services benefits us all as health care

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1 consumers because we all subsidize health care.

2 The difference between the full cost and the charge for
3 services or telecommunication costs could be made up by
4 universal service support and health care's involvement in the
5 deliverance of universal service. The health care rationale
6 for the reduced charges is obvious, to deliver better services
7 at lower costs. The regulatory and economies justification for
8 a partially subsidized process is simple to develop a new and
9 needed business to support the economies and the survival and
10 the advancement of telemedical services throughout rural
11 Alaska. There's too much at stake for parochial prejudices.

12 Companies need to get together and on some of these
13 matters to influence the state and federal laws. And that's
14 part of why we put the Alaska Telemedicine Project together.
15 We need to promote and advance public services to justify the
16 changes that are taking place in both industries. I think Fred
17 gave a particularly thorough overview of some of the
18 telemedical activities that are taking place within Alaska.
19 The consequence that we face right now is that when the
20 generosity of the telecommunications companies is over, when we
21 finish this demonstration, period. If we continue on as we are
22 right now with the charging system that we're faced with, we
23 will not be able to continue the delivery of telemedical
24 services, it will bring it to a halt. And so the benefits that
25 we're experiencing currently with the systems that we've put in

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1 place are only possible because of the generosity of the
2 telecommunication companies. The charges that we'll be faced
3 with when that demonstration period is over aren't affordable
4 to continue the work. And so the cost benefits analysis that
5 we're putting together to provide the information that the
6 state has requested will not be able to continue. It's
7 unaffordable for the rural health care communities to pay the
8 charges and it's unaffordable for Providence to charge them
9 administrative overhead to reimburse ourself for those charges.
10 So we're not going to be able to continue in the work.

11 I appreciate your consideration of that dilemma.

12 MS. ELLIOTT: Thank you, Kathe. Commissioner Chong.

13 MS. CHONG: Well, how do we skin this cat, Kathe?
14 You're telling me on the one hand, I hear from the panel that
15 you save a lot of money in health care costs by using the
16 telemedicine applications. On the other hand, you also tell me
17 that once this demo is over, for example, you won't be able to
18 continue the service because you don't have the money for the
19 telecomm costs.

20 MS. BOUCHA-ROBERTS: It's not really the savings of
21 dollars that you can sort of pocket as much as the spending of
22 health care dollars smarter. And the increased quality of the
23 delivery of health care that urban consumers are accustomed to
24 to the rural areas.

25 MS. CHONG: And what discussions have you had with the

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1 local carriers here as to improving the infrastructure for
2 delivery of higher quality telecomm services that would fit
3 your need?

4 MS. BOUCHA-ROBERTS: I think that we've had, over the
5 past year or year and a half, considerable discussions in
6 relationship to what health care needs, what is affordable.
7 And all of the health care providers have risen to the occasion
8 to express their individual needs. At this point, if we face
9 the tariffs and the charging system that we're accustomed to
10 living with in Alaska, but we're trying to implement and deploy
11 new services and new technology, we're facing complications.
12 And so at this point I think we're all listening and learning.

13 I'm personally just waiting for decisions to be made at
14 the regulatory level and for the Telecommunications Bill to be
15 interpreted and the applications of those interpretations to
16 see what we're left with.

17 MS. CHONG: The Act asks us to make available to health
18 care providers in rural areas comparable rates from urban to
19 rural. Do you have any ideas or suggestions about how we
20 should establish the reasonably comparable rate? Does it make
21 sense in Alaska to look at the Anchorage or Fairbanks rates to
22 apply them outwards or do you think the challenges of Alaska,
23 in terms of its remoteness from the rest of the Lower 48 make
24 this a unique circumstance?

25 MS. BOUCHA-ROBERTS: I think it's a unique

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1 circumstance, but I think that looking at the rates in
2 Anchorage is a good square one to begin with. I've been
3 spending time watching what other states who are more advanced
4 than we are in this area are doing and some of them are sharing
5 their state networks, which is not one of the suggestions I'm
6 making here. Some of them are subsidizing it through other
7 state funding. Some of them have given subsidies to the
8 telecomm companies that are then passed off to the health care
9 providers. Some are providing contracts for reduced costs that
10 are a capitated situation. And so I think that there is a
11 tremendous amount of creativity in the Lower 48 that we can
12 keep our eyes on.

13 It's not my position to make too many serious
14 recommendations, because I don't really know the economies of
15 the telecommunications companies and what they need to survive
16 either. I think the important thing is that we're working
17 together and we're listening to what we need for each of us to
18 be able to build out this system of universal health care as
19 we've been mandated to do in an affordable way. We're all
20 paying out of one pocket or another anyway.

21 MS. CHONG: Now, do you or Dr. Pearce know whether
22 anyone from the Alaska telemedicine community filed in our
23 universal service proceeding docket?

24 MR. PEARCE: Yeah, I don't believe.....

25 MS. BOUCHA-ROBERTS: We didn't.

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1 MR. PEARCE:we did, yes, okay. Steve Sybeski and
2 Rich (indiscernible - cutting in and out) filed.

3 MS. BOUCHA-ROBERTS: Did you, oh, thanks.

4 MS. CHONG: Great.

5 MS. BOUCHA-ROBERTS: Okay.

6 MS. CHONG: I wanted to give you our telemedicine
7 contact at the FCC just as I gave the tele-education person a
8 minute ago. The gentleman we have working on our telemedicine
9 project is Elliott Maxwell and you can E-Mail him at EMaxwell;
10M-a-x-w-e-l-l @FCC.GOV. Elliott is in charge of our
11telemedicine advisory committee and would be a very good
12contact to stay in touch with in the future. Thank you.

13 MS. ELLIOTT: Thank you, Commissioner Chong. Chairman
14Cotten.

15 CHAIRMAN COTTEN: Apparently not.

16 MS. ELLIOTT: Thank you. I'd like to introduce Dave
17Fauske who is the General Manager of Arctic Slope Telephone
18Association.

19 MR. FAUSKE: Thank you. Commissioner Chong,
20Mr. Gonzalez, welcome to Alaska, thank you for coming. I'm the
21manager of Arctic Slope Telephone Co-Op which serves the area
22north of the Brooks Range in Alaska, approximately 92,000
23square miles with eight traditional communities, one of which
24is served by GTE Alaska. And we also serve Prudhoe Bay,
25Deadhorse, a portion of the Alyeska Pipeline. So we have an

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1 interesting co-op where we have subsistence hunters who are
2 subscriber owners along with their one vote, ARCO, BP
3 Exploration and other major oil companies.

4 I majored in philosophy or one of my majors and so
5 serendipity always delights me. I was on the other panel until
6 shortly before this event and I've been moved to this one. The
7 serendipity part is that I came to Alaska to teach. My wife
8 and I got off the plane in Barrow in 1968 and as a family
9 remained there about 16 years and I lived there about 31. My
10 wife still teaches so she's more consistent reliable than I am.
11 In fact, I left her at home this morning as a teacher entering
12 her 34th year of early elementary education working on her
13 third self training project on her Mac that she took home for
14 the summer just to keep up with the kids.

15 I'd like to just briefly bridge a little bit of the
16 last panel to this panel relative to telehealth, distance
17 education and perhaps broadening it out a bit to telework or
18 telecommuting. I'd like to describe -- in order to do that,
19 the nature of our service community and to briefly describe how
20 we are structured to serve that community, the North Slope and
21 then finally what our problem is. The nature of our service
22 community and I don't want to repeat what's been said before,
23 is we're not linear, we're not in Montana or North Dakota where
24 there's farms strung out along highways with small towns and
25 the farmers and the people in the small towns call each other

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1 and need to have lots of local calling.

2 In fact, what we are is not local calling focused,
3 particularly, according to the national statistics. In fact,
4 local calling in the villages largely takes place on CB. I was
5 having dinner at a resident's house in the village of
6 Wainwright a few years ago and his wife jumped up from the
7 table and said, oh, I forgot to tell the kids about choir
8 Christmas practice and I said, can I help do any contacting and
9 she said, no, just a minute and she took the CB mike off the
10 refrigerator and said, kids don't forget practice at 7:00 and
11 she had told the entire community of Wainwright. It's a
12 cultural aspect. Our communities are insular, they're pods of
13 people separated by distances not connected by highways. And
14 so there's little interoffice terrestrial traffic.

15 Now, how are we structured to serve that community?
16 Our co-op and along with, I think, a great majority of like
17 offices and companies in the state have digital switches of a
18 very recent genetic -- generic level. We have high penetration
19 taking into the account the use of both CB and VHF in the
20 communities. We coexist with a fairly modern coaxial
21 communications plant which provides cable television, usually
22 at least a dozen channels if not more, but TV receive only. We
23 have a very recent vintage copper plant, none of which exceeds
24 the 18 kilafoot limit of HDSL and ADSL using copper optics as
25 it's been coined by (indiscernible - cutting out). And we have

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1 a subscriber owned cooperative that's not a profit business.
2 And has recently exercised the option to become deregulated
3 under Alaska statute in order to meet the challenge that's been
4 put before it by the Telecommunications Act and the FCC's
5 orders.

6 We are involved in supporting a tele-education project
7 at the North Slope Borough School District and the borough have
8 implemented. A video two-way interactive project. We are
9 involved in supporting the telehealth equipment that's in the
10 clinics in every village. We are involved in supporting a
11 distance management and community public access teleconference
12 centers that exist in every village. All of these having
13 existed since the mid- to late '80s and early '90s. And we are
14 involved in supporting to do E911 and additional telework using
15 the teleconference centers and those technologies to provide
16 the relocation of jobs focused in Barrow out to the villages of
17 the North Slope Borough.

18 So what's the problem? The problem is we're all
19 dressed up with no place to go. The information superhighway
20 analogy which may be a bit worn by now, I'll invoke again, I'm
21 sure we've all seen pictures, there was one in a Seattle paper
22 a few years ago of an onramp or an offramp as part of the I5
23 inter-exchange in South Seattle, which for some engineering or
24 financial or political fluke was terminated and so we had the
25 interesting aspect of this beautiful ramp launching out and

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